PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2025
(First Semester)

Branch – **COMMERCE (PROFESSIONAL ACCOUNTING)**

ACCOUNTANCY - I

Time: Three Hours Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	_____ is a revenue expenditure. a) Purchase of building b) Repair of building c) Purchase of machinery d) Furniture purchased	K1	CO1
	2	_____ is a one-sided error. a) Error of casting b) Error of omission c) Error of principle d) Compensating error	K2	CO1
2	3	Cost of inventories does not include_____. a) Purchase price b) Import duties c) Selling and distribution expenses d) Conversion costs	K1	CO2
	4	In the Written Down Value (WDV) method, depreciation is charged on_____. a) Original cost every year b) Reduced balance every year c) Scrap value every year d) Revalued figure	K2	CO2
3	5	A bill drawn and accepted for the mutual benefit of both parties without consideration is called_____. a) Accommodation Bill b) Trade Bill c) Demand Bill d) Supply Bill	K1	CO3
	6	Single Entry System is also known as_____. a) Double-entry system b) Incomplete records c) Hybrid system d) Self-balancing system	K2	CO3
4	7	In consignment, ownership of goods remains with: a) Consignee b) Consignor c) Both equally d) Customer	K1	CO4
	8	A joint venture is similar to_____. a) Consignment b) Partnership c) Single-entry system d) Hire purchase	K2	CO4
5	9	Trading Account is prepared to find out_____. a) Net Profit b) Gross Profit c) Operating Profit d) Net Worth	K1	CO5
	10	Receipts and Payments Account is similar to_____. a) Trial Balance b) Cash Book c) Profit & Loss Account d) Balance Sheet	K2	CO5

SECTION - B (35 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Enumerate the scope of accounting in modern business.	K1	CO1
		(OR)		
	11.b.	Journalize the following transactions. Commenced business with cash ₹50,000 Bought goods for cash ₹10,000 Sold goods on credit to Mohan ₹8,000 Paid rent ₹1,500 Received cash from Mohan ₹7,800 in full settlement Purchased Furniture for cash ₹5,000 Paid Salaries ₹3,000		
2	12.a.	Ascertain the value of stock as on 30th June, 2008 from the following figures: Stock of goods as on 1-7-2007: ₹2,40,000 Purchases during the year ending 30-6-2008: ₹9,85,000 Sales during the year ending 30-6-2008: ₹12,50,000 Cost of goods taken for personal use of the proprietor: ₹15,000 Purchases returns during the year: ₹50,000 Sales returns during the year: ₹12,500 Cost of goods destroyed by fire during the year: ₹30,000 Cost of goods distributed as free samples during the year:₹10,000 Rate of gross profit on sales: 20%	K3	CO2

Cont...

		(OR)		
	12.b.	A firm purchases a 5 years' lease for ₹40,000 on 1st January. It decides to write off depreciation on the Annuity Method, presuming the rate of interest to be 5% per annum. The annuity tables show that a sum of ₹9,239 should be written off every year. Show the Lease Account for five years. Calculations are made to be nearest-rupee.		
3	13.a.	Mr. A owes Mr. B the following amounts: Date of Payment / Amount (₹) Jan 10, 2025 / 2,000 Jan 25, 2025 / 3,000 Feb 15, 2025 / 5,000 Find the Average Due Date.	K3	CO3
		(OR)		
	13.b.	Mr. Ramesh started business on 1-1-2024 with Cash ₹8,000 and Stock ₹12,000. On 31-12-2024, he had Stock ₹15,000, Cash ₹10,000, Debtors ₹6,000 and Creditors ₹5,000. During the year, he withdrew ₹3,000 for personal use. Find his profit or loss for 2024 by using the statement of affairs method.		
4	14.a.	1000 kg of wheat was consigned by A to B at ₹40 per kg. Consignor paid ₹5,000 towards freight and insurance. Normal loss is 10% due to drying. B sold 700 kg at ₹60 per kg. Expenses incurred by B: ₹2,000. Find the Value of closing stock with B and Profit on consignment.	K2	CO4
		(OR)		
	14.b.	Das and Krishnan entered into a Joint venture sharing profits and losses as 3:2. They opened a Bank A/c by depositing Rs. 40,000 each. Das purchased 800 kg. of an item @ ₹60 per kg. and his expenses were ₹13,000. Krishnan purchased a second item of 10,000 kg. @ ₹2.10 per kg. and his expenses were ₹11,000. Expenses were met from private sources and purchases were paid from Bank account. Krishnan sold 600 kg. of the first item @ ₹100 per kg. and his selling expenses were ₹5,500. Das sold 8,000 kg. of the second item @ ₹. 5 per kg. and his selling expenses were ₹6,000. All the sale proceeds were deposited in Bank Account and expenses were met from private sources. Write up joint venture account in the books of the venture.		
5	15.a.	Prepare Trading & P&L A/C from the following: Opening Stock: ₹8,000 Insurance: ₹1,000 Interest Received: ₹500 Salaries: ₹4,500 Purchases: ₹40,000 Rent & Rates: ₹2,500 Sales: ₹70,000 Closing Stock: ₹10,000 Wages: ₹5,000 Carriage Inwards: ₹1,000	K4	CO5
		(OR)		
	15.b.	From the following details, ascertain the amount of subscriptions to be credited to income and expenditure account for the year 1999. Subscription received in 1999 - ₹. 48,000 which include ₹ 4,000 for 1998 and ₹8,000 for 2000. Subscriptions due but not received at the end of the year 1999 were ₹20,000. Subscriptions received in 1998 in advance for 1999 were ₹12,000.		

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Explain the concepts of accounting.	K1	CO1
2	17	A company whose accounting year is the calendar year, purchased on 1-1-93 a machine for ₹. 40,000. It purchased further machinery on 1st Oct. 1993 for ₹20,000 and on 1st July 1994 for ₹10,000. On 1-7-1995, 1/4th of the machinery installed on 1-1-1993 became obsolete and was sold for ₹6,800. Show how the machinery account would appear in the books of the company for all the 3 years under Diminishing Balance method. Depreciation is to be provided at 10% p.a.	K2	CO2

<table>
<tr><td>3</td><td>18</td><td>A sold goods to B on 30th October, 2017 for ₹ 14,000 and received three bills for ₹ 2,000, ₹ 4,000 and ₹ 8,000 at 2, 3 and 4 months duration respectively. He kept the first bill till maturity, endorsed the second bill in favour of his creditor C and discounted the third bill on 3rd December, 2017 at 6% p.a. The first and second bills were duly met on maturity but the third bill was dishonoured; the bank paying ₹ 40 as noting charges. On 10th April, 2017 B paid ₹ 4,000 and the noting charges in cash and accepted a new bill at 2 months after date for the balance plus ₹ 80 as interest. The new bill was met on maturity. Give Journal Entries in the books of A.</td><td>K3</td><td>CO3</td></tr>
<tr><td>4</td><td>19</td><td>Ramesh consigned 2,000 mt. of chemicals at a cost of ₹800 per mt. to Jain. Ramesh paid freight and insurance charges of ₹ 20,000. Of the above, 500 mt. of chemicals were destroyed by fire during transit. John cleared the balance of 1,500 mt. Of chemicals and sold 1,000 mt. at an average price of ₹1,000 per mt. John incurred the following expenses: Godown rent ₹ 5,000; Insurance ₹. 3,000; clearing charges ₹ 4,500. Insurance claim received against fire ₹ 4,00,000 after admitting the salvage value of stock destroyed by fire at ₹10,000. John was entitled to a commission of 10% on sale proceeds. John sends the balance to Ramesh after adjusting his commission and expenses out of the sale proceeds. Prepare a consignment A/c and John's A/c in the books of Ramesh.</td><td>K3</td><td>CO4</td></tr>
<tr><td>5</td><td>20</td><td>Following Trial Balance as at 31st March,2018 is drawn from books of Raj Kumar a trader
Trial Balance
As at 31st March, 2018
<table>
<tr><th>Particulars</th><th>Amount ₹</th><th>Particulars</th><th>Amount ₹</th></tr>
<tr><td>Cash in Hand</td><td>2,610</td><td>Creditors</td><td>4,700</td></tr>
<tr><td>Book debts</td><td>11,070</td><td>Discounts</td><td>150</td></tr>
<tr><td>Salaries</td><td>4,950</td><td>Creditors for expenses</td><td>400</td></tr>
<tr><td>Carriage inwards</td><td>1,450</td><td>Returns outwards</td><td>2,520</td></tr>
<tr><td>Carriage outwards</td><td>1,590</td><td>Sales</td><td>80,410</td></tr>
<tr><td>Bad debts</td><td>1,310</td><td>Capital</td><td>40,000</td></tr>
<tr><td>Office expenses</td><td>5,100</td><td></td><td></td></tr>
<tr><td>Purchases</td><td>67,350</td><td></td><td></td></tr>
<tr><td>Return inwards</td><td>1,590</td><td></td><td></td></tr>
<tr><td>Furniture & Fittings</td><td>1,500</td><td></td><td></td></tr>
<tr><td>Stock</td><td>14,360</td><td></td><td></td></tr>
<tr><td>Insurance</td><td>3,300</td><td></td><td></td></tr>
<tr><td>Depreciation on property</td><td>1,200</td><td></td><td></td></tr>
<tr><td>Freehold property</td><td>10,800</td><td></td><td></td></tr>
<tr><td></td><td>1,28,180</td><td></td><td>1,28,180</td></tr>
</table>
Adjustments:
i) Make provision for doubtful debts at 5%
ii) Calculate discount on creditors @2%
iii) Office expenses include stationery purchase ₹800
iv) Carriage inwards includes carriage paid on purchase of furniture ₹50
v) Outstanding salaries ₹150
vi) Prepaid insurance ₹300
vii) Stock on hand ₹10,700</td><td>K4</td><td>CO5</td></tr>
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Z-Z-Z END